



**For immediate release
Citigroup Inc. (NYSE: C)
November 11, 2008**

**CITI ANNOUNCES NEW PREEMPTIVE INITIATIVES TO HELP
HOMEOWNERS REMAIN IN THEIR HOMES**

Initiatives build on and accelerate Citi's comprehensive loss mitigation efforts, which have prevented approximately 370,000 foreclosures representing over \$35 billion in loans since early 2007

NEW YORK – November 11, 2008 – Citi today announced a series of initiatives designed to proactively help potential at-risk borrowers remain current on their payments and ultimately in their homes. Several of these steps build on or expand the industry-leading loss mitigation efforts that Citi has put in place over the past two years.

- Launches Citi Homeowner Assistance program. Beginning now, and over the next six months, this program will preemptively reach out to a select group of 500,000 homeowners whose mortgages Citi holds; these homeowners are not currently behind on their mortgage payments, but some may require help to remain current on their mortgages. This effort is expected to result in workouts of approximately \$20 billion in underlying mortgage balances. Citi is focusing particularly on borrowers in areas that are likely to face extreme economic distress.
- Extends foreclosure moratorium practice. Citi will systematically implement its practice of not initiating a foreclosure or completing a foreclosure sale on any eligible borrower where Citi owns the mortgage, the borrower is seeking to stay in the home which is his/her principal residence, is working in good faith with Citi, and has sufficient income for affordable mortgage payments. In addition, in order for its efforts to have the broadest possible impact, Citi is working diligently with investors to secure their approval to expand the program to include mortgages Citi services but does not own.

Citi also recently streamlined its existing loan modification program, which is similar to the FDIC/IndyMac model, to aggressively rework delinquent loans. This program uses a simplified formula to determine an affordable payment as a percentage of the borrower's gross income and then reduces the monthly payment to that amount by one or more of the following: interest rate reduction, extension of term or forgiveness of principal.

Sanjiv Das, CEO of CitiMortgage said, "In today's economic environment, Citi continues to build on its long-standing efforts to develop new ways to help our customers remain in their homes. Since the beginning of 2007, these efforts have helped approximately 370,000 homeowners we service avoid foreclosure on their

homes. Under our new Citi Homeownership Assistance program we will preemptively reach out to help homeowners before they become delinquent, which is critical to avoiding the loss of a home and protecting their credit score and future borrowing potential.”

Citi Homeowner Assistance to help homeowners avoid foreclosure

Key elements will include:

- A dedicated team of trained counselors in Borrower Relief Centers will preemptively reach out to customers with loans in Citi’s owned portfolio, particularly in areas with falling home prices and high unemployment rates. These mortgage professionals will work to help the customers avoid entering delinquency. The process will also help protect borrowers' credit scores where they are able to remain current on their payments and ultimately keep their homes. Citi is currently seeking investor approval to include in this program the loans it services, but does not own.
- A concerted effort to reach these at-risk borrowers through calls, written correspondence, email, toll-free assistance lines, online social networks, and external counselors.
- A range of solutions for homeowners with reliable incomes to offer them affordable payment options to remain current on their payments, and in turn, in their homes.

Citi Homeowner Assistance program builds on legacy of implementing new and innovative best business practices and success

Since early 2007, Citi has helped approximately 370,000 families avoid foreclosure on their homes – representing over \$35 billion in total underlying value in loans – through loss mitigation actions and proactive modifications. Citi’s comprehensive loss mitigation efforts have kept approximately four distressed borrowers in their homes for every one foreclosure completed in 2008.

These efforts include:

- Office of Homeownership Preservation (OHP) - Since 2007, Citi’s OHP has worked with counselors and borrowers to find alternatives to foreclosure whenever possible. Through OHP, Citi offers delinquent borrowers free services such as round-the-clock access to qualified counselors and an informational website: www.mortgagehelp.citi.com. OHP also offers all borrowers a robust suite of pre-and post-purchase financial education services.
- Counseling Workshops in 25 Cities - In 2008, Citi co-hosted events in 25 U.S. cities for delinquent borrowers with a local community-based housing

counseling organization. This effort also will cumulatively invest a total of \$1.25 million in communities directly for homeownership preservation.

- Financial Education - In partnership with the Office of Financial Education, OHP has developed two curricula – a consumer and a counselor curriculum – that provide training and information on financial strategies to assist homeowners.
- Planning Grants - Citi and the Citi Foundation provided funding of up to \$100,000 each for planning grants and technical assistance to 14 communities to help restore vacant houses and revitalize low- and middle-income neighborhoods that have been among the hardest hit by residential housing foreclosures.

“We’re especially appreciative of the national and local community groups we’re working with on many fronts to reach distressed homeowners around the country. We believe at-risk borrowers should not have to wait until they are facing potential foreclosure before they become eligible for a loan modification or a foreclosure pause,” said Eric Eve, Senior Vice President of Global Community Relations for Citi.

Ken Wade, CEO NeighborWorks America, said, “The new Citi Homeowner Assistance program again demonstrates Citi’s leadership on this issue. For NeighborWorks, Citi provides not only funding for our Center for Foreclosure Solutions, through which we reach at-risk borrowers facing foreclosure, but also expert personnel to train and assist community-based organizations that work with at-risk borrowers. I congratulate Citi for this latest, important step forward.”

Citi's Mortgage Loan Portfolio

Citi's owned loan portfolio is substantially different from that of some other major lenders. On balance, Citi mortgage originations did not follow the market in aggressively introducing non-traditional products and more aggressive underwriting practices. Citi has not originated negative amortization loans, option ARMs, low FICO interest-only loans or low FICO/high loan-to-value stated income loans in our owned portfolio. Citi has offered limited hybrid ARMs, employing conservative underwriting criteria when originating these products. In addition, as evidence of its commitment to transparency and accountability in its loss mitigation efforts, Citi is alone in the industry in providing an extensive, quarterly data report detailing its efforts in this area.

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About Citi

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